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ZHUHAI DINGFU PHASE I INDUSTRIAL  
ENERGY CONSERVATION INVESTMENT  
FUND, LP

**UNITED STATES DISTRICT COURT**  
**CENTRAL DISTRICT OF CALIFORNIA – SOUTHERN DIVISION**

ZHUHAI DINGFU PHASE I  
INDUSTRIAL ENERGY  
CONSERVATION INVESTMENT  
FUND, LP, a Chinese limited  
partnership,

Petitioner,

v.

PHILLIP LIANG ZHANG aka ZHANG  
PHILLIP LIANG, aka LIANG ZHANG,  
aka ZHANG LIANG, aka PHILLIP  
CHANG, aka PHILLIP L CHANG; aka  
PHILLIP CHENG, an individual,

Respondent.

Case No. 8:23-cv-02059-MRA-JDE

**PETITIONER'S APPLICATION  
FOR LEAVE TO FILE UNDER  
SEAL**

Hon. Mónica Ramírez Almadani

Petition Filed: November 1, 2023

Discovery Cut-Off: N/A  
Pre-Trial Conference Date: N/A  
Trial Date: N/A

**TO THE HONORABLE DISTRICT JUDGE MÓNICA RAMÍREZ  
ALMADANI AND ALL INTERESTED PARTIES:**

By this Application for Leave to File Under Seal (the “Application”),  
Petitioner Zhuhai Dingfu Phase I Industrial Energy Conservation Investment Fund,  
LP (“Petitioner”) hereby moves this Court, pursuant to Local Rules 79-5.2.2, for an  
order sealing the following documents:

<b>Document</b>	<b>Portion to be Sealed</b>
August 27, 2020 “Loan Agreement” between the Family Trust of Phillip Liang Zhang and Julie Xingzhou Cheng and JCAE Group, Inc. (JCAE_PROD_048-49)	This document in its entirety.
May 31, 2024 “Loan Agreement” between the Family Trust of Phillip Liang Zhang and Julie Xingzhou Cheng and JCAE Group, Inc. (JCAE_PROD_050-51)	This document in its entirety.
September 23, 2024 “Loan Agreement” between the Family Trust of Phillip Liang Zhang and Julie Xingzhou Cheng and JCAE Group, Inc. (JCAE_PROD_052-53)	This document in its entirety.
April 10, 2021 Capital Contribution Statement (JCAE_PROD_057)	This document in its entirety.
October 20, 2024 Capital Contribution Statement (JCAE_PROD_058)	This document in its entirety.
October 30, 2024 Capital Contribution Statement (JCAE_PROD_059)	This document in its entirety.
December 2, 2024 Capital Contribution Statement (JCAE_PROD_060)	This document in its entirety.
December 17, 2024 Capital Contribution Statement (JCAE_PROD_061)	This document in its entirety.
January 9, 2025 Capital Contribution Statement (JCAE_PROD_062)	This document in its entirety.

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JCAE Group, Inc. Balance Sheet (JCAE_PROD_063)	This document in its entirety.
JCAE Group, Inc. Profit & Loss Statement (JCAE_PROD_064)	This document in its entirety.
Zhang's Bank of America account statement for December 12, 2025 to January 13, 2025 (ZHANG_PROD_023-26)	This document in its entirety.
<i>Ex Parte</i> Application for Order Appointing Temporary Receiver and Order to Show Cause Why a Permanent Receiver Should Not be Appointed	<p>Pg. 9, Line 14: the numeric amount</p> <p>Pg. 9, Line 18: the numeric amount</p> <p>Pg. 9: the screenshot of Zhang's bank account statement</p> <p>Pg. 10, Line 1: the numeric amount</p> <p>Pg. 10: the screenshots of Zhang's bank account statement and Capital Contribution Statements</p> <p>Pg. 10, Line 18: the numeric amount</p> <p>Pg. 11, Line 2: the numeric amount</p> <p>Pg. 11, Line 5: the numeric amounts</p> <p>Pg. 11, Line 7: the numeric amounts</p> <p>Pg. 11: the screenshot of Capital Contribution Statement</p> <p>Pg. 12: the screenshots of Capital Contribution Statements</p> <p>Pg. 13, Line 15: the numeric amount</p> <p>Pg. 13, Line 16: the numeric amounts</p> <p>Pg. 14, Line 13-14: the numeric amounts</p> <p>Pg. 14, Line 15-16: the numeric amount</p> <p>Pg. 14: the screenshot of JCAE's profit &amp; Loss Statement</p>

1 The documents listed above (collectively, the “Confidential Documents”)  
2 disclose Respondent Phillip L. Zhang’s (“Zhang”) and his company, third-party  
3 JCAE Group, Inc.’s (“JCAE”), highly confidential financial information. Zhang’s  
4 counsel does not oppose this filing or the requested relief herein.

5 As set forth more fully in the following Memorandum of Points and  
6 Authorities, Petitioner has demonstrated “compelling reasons” for sealing the  
7 Confidential Documents because they contain Zhang’s and JCAE’s highly  
8 confidential financial information that was designated by them as either Confidential  
9 or Confidential—Attorneys’ Eyes Only.

10 This Application is based upon the attached Memorandum of Points and  
11 Authorities, the Declaration of Oscar A. Figueroa in support of this Application, and  
12 any documentary or oral evidence that may be introduced at or prior to any hearing  
13 on the motion.

14 WHEREFORE, Petitioner requests that the Court enter an order (1) granting  
15 this Application its entirety; (2) sealing the Confidential Documents; and (3) granting  
16 such other and further relief as the as Court deems just and proper.

17  
18 Dated: June 30, 2025

**ARENTFOX SCHIFF LLP**

19  
20 By: /s/ Oscar A. Figueroa

21 MATTHEW B. MOCK  
22 JONATHAN JUDGE  
23 OSCAR A. FIGUEROA  
24 Attorneys for Petitioner  
25 ZHUHAI DINGFU PHASE I  
26 INDUSTRIAL ENERGY  
27 CONSERVATION INVESTMENT  
28 FUND, LP

**MEMORANDUM OF POINTS AND AUTHORITIES**

**I. INTRODUCTION**

Petitioner Zhuhai Dingfu Phase I Industrial Energy Conservation Investment Fund, LP (“Petitioner”) hereby moves the Court, pursuant to Local Rules 79-5.2.2, for an order sealing the following documents (collectively, the “Confidential Documents”):

<b>Document</b>	<b>Portion to be Sealed</b>
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January 9, 2025 Capital Contribution Statement (JCAE_PROD_062)	This document in its entirety.

JCAE Group, Inc. Balance Sheet (JCAE_PROD_063)	This document in its entirety.
JCAE Group, Inc. Profit & Loss Statement (JCAE_PROD_064)	This document in its entirety.
Zhang's Bank of America account statement for December 12, 2025 to January 13, 2025 (ZHANG_PROD_023-26)	This document in its entirety.
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As outlined below, compelling reasons exist to allow Petitioner to file this information under seal. The Confidential Documents contain Zhang's and JCAE's

1 highly confidential financial information that they previously designated as either  
2 Confidential or Confidential—Attorneys’ Eyes Only. Petitioner believes the  
3 Confidential Documents disclose Zhang’s and JCAE’s nonpublic finances, and if  
4 disclosed, could cause them harm, including affecting JCAE’s competitive standing.  
5 Respondent’s counsel does not object to this filing and the relief requested herein.

6 **II. ARGUMENT**

7 To seal documents filed in connection with a motion, a party must meet the  
8 “compelling reasons” standard. *See Kamakana v. City & County of Honolulu*, 447  
9 F.3d 1172, 1179 (9th Cir. 2006) (quoting *Foltz v. State Farm Mutual Auto. Insurance*  
10 *Company*, 331 F.3d 1122, 1136 (9th Cir. 2003)). To demonstrate “compelling  
11 reasons,” a party is “required to present ‘articulable facts’ identifying the interests  
12 favoring continued secrecy and to show that these specific interests overc[o]me the  
13 presumption of access by outweighing the public interest in understanding the  
14 judicial process.” *Id.* at 1181. The Court has discretion to weigh various factors,  
15 including the “public interest in understanding the judicial process and whether  
16 disclosure of the material could result in improper use of the material for scandalous  
17 or libelous purposes or infringement upon trade secrets.” *Pintos v. Pacific Creditors*  
18 *Ass’n*, 605 F.3d 665, 679 n.6 (9th Cir. 2010) (quoting *Hagestad v. Tragesser*, 49 F.3d  
19 1430, 1434 (9th Cir. 1995)).

20 The Supreme Court has held that “sources of business information that might  
21 harm a litigant’s competitive standing” constitutes a “compelling reason” sufficient  
22 to outweigh the public’s interest in disclosure. *Nixon v. Warner Commc’ns, Inc.*, 435  
23 U.S. 589, 598 (1978); *see also In re Adobe Sys., Inc. Sec. Litig.*, 141 F.R.D. 155, 161-  
24 62 (N.D. Cal. 1992) (“Protective orders and filings under seal are the primary means  
25 by which the courts ensure full disclosure of relevant information, while still  
26 preserving the parties’ (and third parties’) legitimate expectation that confidential  
27 business information, proprietary technology and trade secrets will not be publicly  
28 disseminated.”). Confidential profit, cost, and pricing information can also be sealed



1 when a party establishes that the information, if publicly disclosed, could put the  
2 company at a competitive disadvantage. *Pulse Elecs., Inc. v. U.D. Elec. Corp.*, 530  
3 F. Supp. 3d 988, 1031 (S.D. Cal. 2021). Additionally, Courts have sealed sensitive  
4 financial information when it would be damaging to a party if revealed publicly. *Saint*  
5 *Alphonsus Med. Ctr.--Nampa, Inc. v. St. Luke's Health Sys., Ltd.*, 2014 WL 3101716,  
6 at \*3 (D. Idaho July 3, 2014).

7 Here, “compelling reasons” exist to file each of the Confidential Documents  
8 under seal. The Confidential Documents contain Zhang’s nonpublic finances and  
9 JCAE’s sensitive business information and have been marked either Confidential or  
10 Confidential—Attorneys Eyes Only” in their entirety. If made public, these  
11 documents could cause Zhang harm and negatively affect JCAE’s competitive  
12 position by allowing competitors to unfairly gain insight into JCAE’s business model  
13 and proprietary posture. A balance of the interest in having these documents sealed  
14 versus the public interest in understanding the judicial process warrants protecting  
15 this information from disclosure. It is Petitioner’s understanding that this information  
16 is not otherwise publicly available.

17 Petitioner’s request to file under seal is narrowly tailored and focused solely  
18 on information that is highly confidential and not publicly available.

### 19 **III. CONCLUSION**

20 Petitioner requests that the Court enter an order (1) granting this Application  
21 its entirety; (2) sealing the Confidential Documents; and (3) granting such other and  
22 further relief as the as Court deems just and proper.



1 Dated: June 30, 2025

**ARENTFOX SCHIFF LLP**

2  
3 By: /s/ Oscar A. Figueroa

4 MATTHEW B. MOCK

5 JONATHAN JUDGE

6 OSCAR A. FIGUEROA

7 Attorneys for Petitioner

8 ZHUHAI DINGFU PHASE I

9 INDUSTRIAL ENERGY

10 CONSERVATION INVESTMENT

11 FUND, LP

*Zhuhai Dingfu Phase I Industrial Energy Conservation Investment Fund, LP, v.  
Phillip Liang Zhang  
8:23-CV-02059-MRA-JDE*

**PROOF OF SERVICE**

I am a citizen of the United States. My business address is ArentFox Schiff LLP, 555 S. Flower St., 43rd Floor, Los Angeles, California 90071. I am employed in the County of Los Angeles where this service occurs. I am over the age of 18 years, and not a party to the within cause.

On the date set forth below, according to ordinary business practice, I served the foregoing document(s) described as:

**PETITIONER'S APPLICATION FOR LEAVE TO FILE UNDER SEAL**

- ☒ (BY E-MAIL) On this date, I personally transmitted the foregoing document(s) via my electronic service address (katryn.smith@afslaw.com) to the e-mail address(es) of the person(s) on the attached service list.
- ☐ (BY MAIL) I am readily familiar with my employer's business practice for collection and processing of correspondence for mailing with the U.S. Postal Service, and that practice is that correspondence is deposited with the U.S. Postal Service the same day as the day of collection in the ordinary course of business. On this date, I placed the document(s) in envelopes addressed to the person(s) on the attached service list and sealed and placed the envelopes for collection and mailing following ordinary business practices.
- ☐ (BY PERSONAL SERVICE) On this date, I caused to be delivered by hand envelope(s) containing the document(s) to the persons(s) on the attached service list.
- ☐ (BY FEDERAL EXPRESS) I electronically served the foregoing document(s) through Federal Express on the person(s) on the attached service list.
- ☒ (Federal) I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

***Please see attached Service List.***

Executed on June 30, 2025, at West Grove, California.

  
\_\_\_\_\_  
Katryn F. Smith

Service List

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